

CALIFORNIA COASTAL COMMISSION

CENTRAL COAST DISTRICT OFFICE
725 FRONT STREET, SUITE 300
SANTA CRUZ, CA 95060
(831) 427-4863



W10.5a
W10.5b

Previous Commission Actions & Dates

Project Approved with Conditions: 12/10/03

Revised Findings

Revised Findings Staff Report Prepared: 2/02/05

Revised Findings Hearing Date: 2/16/05

Staff: SC

REVISED FINDINGS FOR COASTAL DEVELOPMENT PERMIT APPLICATIONS

Application number**3-03-068, Forest Pavilion Wing; 3-03-101, Fire Access Road**

Applicant.....Community Hospital of the Monterey Peninsula, Attn: Bryce Graybill, Project Manager, Facilities Planning Dept.

Project location23625 WR Holman Highway, City of Monterey

Project description.....**3-03-068:** Construction of a three-story 97,738 square foot addition to existing hospital; project includes permanent conversion of approximately 0.75 acres of native Monterey pine forest to an urban use, relocation of existing scenic easements, & remodeling of existing patient rooms; **3-03-101:** Construct a 640-foot long, 13½-foot wide aggregate fire lane between the northeastern side of the hospital and Scenic Drive; remove 19 trees.

Local approval.....**3-03-068:** City Council approval of Use Permit #02-170 on 6/17/03; Architectural Review Committee Approval 8/6/03; Monterey Peninsula Water Management District Water Permit #21104 dated 8/25/03; **3-03-101:** City of Monterey Fire Dept. approval.

File documents.....**3-03-068:** EIR (Forest Pavilion Wing, Community Hospital of the Monterey Peninsula); Geotechnical Investigation (Forest Pavilion, Community Hospital of the Monterey Peninsula, Monterey, CA); Community Hospital of the Monterey Peninsula 2001 Amended Planned Community Plan; City of Monterey Permit Application File #02-170; Coastal Act; Skyline Land Use Plan; **3-03-101:** City of Monterey Tree Removal Permit.

Commission Action**Approval with Conditions**

Date of ActionDecember 10, 2003

Commissioners on Prevailing Side: Hart, Iseman, Kruer, McClain-Hill, Nava, Nichols, Peters, Potter, Wan, Woolley, Reilly

Staff Recommendation ..**Adopt Revised Findings**



California Coastal Commission
February 2005 Meeting in Monterey

Staff: S. Craig Approved by:

Staff Note: The Commission made changes to the ESHA finding after public hearing at the December 2003 meeting in San Francisco. Staff has made substantive changes to the Summary and Section III(B)(1) (ESHA Finding) in this revised staff report to reflect the Commission's changes. In addition, the Commission approved an addendum to the staff report presented at the December 10, 2003 hearing. This addendum modified Special Condition #1 and associated findings to note that a second easement is present on the 16.73-acre parcel located across Scenic Drive from the project sites. Staff has incorporated this addendum into this staff report and made substantive changes to Special Condition #1 and Sections III(A)(1) and III(A)(2)(h). Additions to the recommended findings are shown in underline, and deletions with ~~striketrough~~.

Summary: This staff report makes recommendations for two project proposals at Community Hospital of the Monterey Peninsula. Application 3-03-068 proposes to construct a new three-story, 97,738 square foot hospital wing (the Forest Pavilion wing) on the northeast side of the existing hospital facility. The proposed Forest Pavilion would provide clinical and support space and patient beds. Because one component of the proposed project is the remodeling of existing hospital space, the net increase in patient beds would be 48. The proposed project would result in the in the removal of a minimum of 164 Monterey pines and 42 oak trees and the permanent conversion of approximately 0.75 acres of native Monterey pine forest into an urban use. The proposed project includes a landscaping plan to replace trees proposed for removal, as well as to supplement the existing landscape with native species. The proposed project also includes relocation of approximately 2.5 acres of scenic/conservation easements previously required by the Commission (see Procedural Note below). These easements would be transferred to an undeveloped 16.73-acre undeveloped parcel also owned by CHOMP. Subsequent to the City's approval, the Applicant has amended the project description to include retirement of the remainder of the development rights on this 16.73-acre undeveloped parcel. A conservation easement would be placed over this entire parcel, which consists of undisturbed Monterey pine forest habitat.

Application 3-03-101 calls for development of a 640-foot-long, 13 ½-foot-wide fire access road between the eastern side of the hospital and Scenic Drive, development of which would require removal of 19 trees (11 Monterey pines and 8 coast live oaks). As noted above, the proposed project would require relocation of portions of scenic/conservation easements previously required by the Commission (see Procedural Note below).

Coastal Act Section 30240(a) requires that new development within ESHA, ~~in this case Monterey pine forest habitat (where the expansion is proposed), an environmentally sensitive habitat area (ESHA)~~ be limited to those uses that are dependent upon the resource. ~~The Coastal Act, however, also authorizes the Commission to approve a proposed project notwithstanding such an~~ addition to the existing hospital that would permanently convert approximately 0.75 acre (32,840 square ~~inconsistency with a Coastal Act policy if certain criteria are met. Denial of the proposed Forest Pavilion project due to inconsistency with Coastal Act ESHA policies would result in a less concentrated pattern of development for the hospital's facilities than that which would result from implementation of the proposed project. This would be inconsistent with Coastal Act Section 30250(a), which calls for concentration of development, because denial of the proposed Forest Pavilion project~~



~~would preclude the permanent retirement of development rights on an undeveloped parcel owned by the hospital, which consists of 16.73 acres of Monterey pine forest ESHA. Thus, although 0.75 acres of Monterey pine forest ESHA would be permanently transformed to an urban use, the project as conditioned balances Coastal Act Sections 30240(a) and 30250(a) by providing for the permanent protection of 16.73 acres of prime Monterey pine forest habitat. In addition, given that feet of native Monterey pine forest to an urban use, as well as development of a fire access road through native Monterey pine forest.~~

A number of factors were reviewed to determine if the proposed Forest Pavilion project site qualifies as Monterey pine forest ESHA, including the size of the impacted forest area, existing development patterns, forest fragmentation and edge effects, the health of the understory, and the presence of other special status species that may be associated with Monterey pine. After carefully weighing all the above factors, it has been determined that the site is not ESHA, primarily because of the amount of existing disturbance and fragmentation in and around the project site and the fact that this relatively small area of Monterey pine forest in the immediate vicinity of this largely developed hospital site is arguably less biologically productive than undeveloped forest areas. Overall, the combination of factors as applied to the specific circumstances of this site weigh against designating the site ESHA.

~~hospital development will be concentrated on the main hospital site, it is reasonable to concentrate the required fire protection on the same site. Finally, As stated above, the proposed Forest Pavilion project includes a landscaping plan to replace oak trees and Monterey pine trees proposed for removal, as well as to supplement the existing landscape with a variety of native species. In addition, the projects are conditioned to require best management practices during construction and submission of a drainage plan to protect water quality. As conditioned, Staff recommends approval.~~

Procedural Note: These projects require relocation of portions of previously required scenic/conservation easements to another parcel owned by CHOMP. The relocation of these easements, however, requires approval of immaterial amendments to previous permits granted to the hospital (CDP 3-86-194 & CDP 3-97-026) because the Commission conditioned these previous approvals to require these easements. These immaterial amendments were included in the Deputy Director’s report but will be reported on immediately following Commission action on the proposed Forest Pavilion and fire access road projects. Please see Exhibit 13 for copies of these immaterial amendments.

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I. Staff Recommendation on Revised Findings

Staff recommends that the Commission adopt the following revised findings in support of its December 10, 2003 approval of a coastal development permit for the proposed Forest Pavilion development (3-03-068) and approval of a coastal development permit for the proposed Fire Access Road development (3-03-101).

MOTION#1: *I move that the Commission adopt the revised findings in support of the Commission's action on December 10, 2003 approving the development proposed under coastal development permit number 3-03-068 (Forest Pavilion), pursuant to the staff recommendation.*

STAFF RECOMMENDATION OF ADOPTION #1:

Staff recommends a **YES** vote. Passage of this motion will result in adoption of the following resolution and revised findings as set forth in this report. Pursuant to Section 30315.5 of the Coastal Act, the motion requires a majority vote of the members from the prevailing side present at the December 10, 2003 hearing, with at least three of the prevailing members voting. **Commissioners eligible to vote on the revised findings are Commissioners Hart, Iseman, Kruer, McClain-Hill, Nava, Nichols, Peters, Potter, Wan, Woolley, and Reilly.** If the motion fails, the revised findings are postponed to a later meeting.

RESOLUTION #1:

The Commission hereby adopts the findings and conditions set forth below for approval of a coastal development permit for the proposed Forest Pavilion development on the grounds that the findings support the Commission's decision made on December 10, 2003 and accurately reflect the reasons for that decision.

MOTION#2: *I move that the Commission adopt the revised findings in support of the Commission's action on December 10, 2003 approving the development proposed under coastal development permit number 3-03-101 (Fire Access Road), pursuant to the staff recommendation.*



STAFF RECOMMENDATION OF ADOPTION #2:

Staff recommends a **YES** vote. Passage of this motion will result in adoption of the following resolution and revised findings as set forth in this report. Pursuant to Section 30315.5 of the Coastal Act, the motion requires a majority vote of the members from the prevailing side present at the December 10, 2003 hearing, with at least three of the prevailing members voting. **Commissioners eligible to vote on the revised findings are Commissioners Hart, Iseman, Krueger, McClain-Hill, Nava, Nichols, Peters, Potter, Wan, Woolley, and Reilly.** If the motion fails, the revised findings are postponed to a later meeting.

RESOLUTION #2:

The Commission hereby adopts the findings and conditions set forth below for approval of a coastal development permit for the proposed Fire Access Road development on the grounds that the findings support the Commission's decision made on December 10, 2003 and accurately reflect the reasons for that decision.

II. Conditions of Approval

A. Standard Conditions

- 1. Notice of Receipt and Acknowledgment.** The permit is not valid and development shall not commence until a copy of the permit, signed by the Permittee or authorized agent, acknowledging receipt of the permit and acceptance of the terms and conditions, is returned to the Commission office.
- 2. Expiration.** If development has not commenced, the permit will expire two years from the date on which the Commission voted on the application. Development shall be pursued in a diligent manner and completed in a reasonable period of time. Application for extension of the permit must be made prior to the expiration date.
- 3. Interpretation.** Any questions of intent or interpretation of any condition will be resolved by the Executive Director or the Commission.
- 4. Assignment.** The permit may be assigned to any qualified person, provided assignee files with the Commission an affidavit accepting all terms and conditions of the permit.
- 5. Terms and Conditions Run with the Land.** These terms and conditions shall be perpetual, and it is the intention of the Commission and the Permittee to bind all future owners and possessors of the subject property to the terms and conditions.



B. Special Conditions

1. Permanent Monterey Pine Forest Open Space Restriction.

A. NO DEVELOPMENT as defined in section 30106 of the Coastal Act, other than restoration and maintenance of the forest habitat or development of a narrow, unpaved footpath designed for pedestrian use only, shall occur on the 16.73-acre parcel, in perpetuity. The 16.73-acre parcel (APN 008-131-21) is depicted on Exhibit 5 and on page 3 of Exhibit 8 and is located across Scenic Drive from the main hospital parcel (APN 008-132-11). The existing easements on the 16.73-acre parcel, which provides access to the PG&E substation and allows for a PG&E transmission line, may continue to be used and maintained.

B. PRIOR TO OCCUPANCY OF THE FOREST PAVILION WING*, the Permittee shall execute and record a document in a form and content acceptable to the Executive Director, irrevocably offering to grant to the City of Monterey an open space and conservation easement for the purpose of resource protection/habitat conservation. Such easement shall be located on the entirety of the 16.73-acre parcel (APN 008-131-21) as shown in Exhibit 5 and page 3 of Exhibit 8. The recorded document shall include legal descriptions of the easement area. The recorded document shall also reflect that no development, other than restoration and maintenance of the forest habitat or development of an unpaved pedestrian footpath, is allowed in this easement area, in perpetuity. The recorded document shall note the senior easements on the parcel that allow for access to the PG&E substation and for a PG&E transmission line.

C. The grant shall be recorded free of prior liens and encumbrances that the Executive Director determines may affect the interest being conveyed. The offer shall run with the land in favor of the People of the State of California, binding all successors and assignees, and shall be irrevocable for a period of 21 years, such period running from the date of recording.

D. PRIOR TO OCCUPANCY OF THE FOREST PAVILION WING*, the Permittee shall submit evidence to the Executive Director, for review and approval, that the offer to dedicate the easement has been effectively accepted by the City of Monterey.

2. Erosion and Sedimentation Control. PRIOR TO ANY SITE DISTURBANCE (for the Forest Pavilion wing and the Fire Access Road), the Permittee shall submit, for Executive Director review and approval, Erosion and Sediment Control Plans that comply with the City's Condition of Approval #17 for the Forest Pavilion development (see Exhibit 14 for the text of this condition), and that incorporate the following provisions:

* As adopted by the Commission on 12/10/03, Special Conditions 1B and 1D required recordation of the open space deed restriction and submittal of evidence of acceptance by the City of the easement, respectively, prior to commencement of construction of the Forest Pavilion wing. An immaterial amendment was approved by the Commission on 1/14/04, amending Special Conditions 1B and 1D to require recordation of the deed restriction and evidence of the City's acceptance of the easement prior to occupancy of the Forest Pavilion wing. This amended language is reflected in Special Conditions 1B and 1D above.



Implementation of Best Management Practices During Construction. The Drainage and Erosion Control Plans shall identify the type and location of the measures that will be implemented during construction to prevent erosion, sedimentation, and the discharge of pollutants during construction. These measures shall be selected and designed in accordance with the California Storm Water Best Management Practices Handbook and the Model Construction Site Discharge Control Program criteria established in the City's Model Urban Runoff Program. Among these measures, the plans shall limit the extent of land disturbance to the minimum amount necessary to construct the project; designate areas for the staging of construction equipment and materials, including receptacles and temporary stockpiles of graded materials, which shall be covered on a daily basis; provide for the installation of silt fences, temporary detention basins, and/or other controls to intercept, filter, and remove sediments contained in any runoff from construction, staging, and storage/stockpile areas; and provide for the replanting of disturbed areas immediately upon conclusion of construction activities in that area. The plans shall also incorporate good construction housekeeping measures, including the use of dry cleanup measures whenever possible; collecting and filtering cleanup water when dry cleanup methods are not feasible; cleaning and refueling construction equipment at designated offsite maintenance areas; and the immediate clean-up of any leaks or spills.

The plans shall indicate that **PRIOR TO THE COMMENCEMENT OF GRADING**, the Permittee shall delineate the approved construction areas with fencing and markers to prevent land-disturbing activities from taking place outside of these areas.

3. **Post Construction Drainage Plan. PRIOR TO COMMENCEMENT OF CONSTRUCTION OF THE FOREST PAVILION WING**, the Permittee shall submit to the Executive Director for review and approval a drainage plan that identifies the specific type, design, and location of all drainage infrastructure and Best Management Practices (BMPs) necessary to ensure that post construction drainage from the project, including runoff from the roof and other impervious surfaces, does not result in erosion, sedimentation, or the degradation of coastal water quality. The capacity of drainage features and BMPs shall be adequate to treat, infiltrate, and filter the amount of storm water runoff produced by all storms up to and including the 85th percentile, 24-hour storm event for volume-based BMPs, and/or the 85th percentile, 1-hour storm event, with an appropriate safety factor (i.e., 2 or greater), for flow-based BMPs. In areas where rocks or other energy dissipation structures may be needed, they shall be located outside of sensitive habitat areas and natural drainage corridors to the maximum extent feasible, and shall be limited in size and footprint to the minimum necessary to achieve effective erosion control.

The Permittee shall be responsible for implementing and maintaining the drainage facilities for the life of the project. This shall include performing annual inspections and conducting all necessary clean-outs immediately prior to the rainy season (beginning October 15th), or as otherwise necessary to maintain the proper functioning of the approved system.



III. Recommended Findings and Declarations

The Commission finds and declares as follows:

A. Project Locations & Descriptions

1. Location of Projects

The project sites are located within the Skyline Forest in the City of Monterey. Skyline forest covers the ridgeline that runs through the center of the Monterey Peninsula, separating the City of Monterey from the Del Monte Forest.

The project sites are located at the Community Hospital of the Monterey Peninsula (CHOMP) facility, which is located near the ridge of the Skyline Forest. The existing hospital is located approximately two-tenths of a mile from the Highway One off-ramp at State Route 68. Scenic Drive, which is a portion of the famed 17-Mile Drive, is located approximately 90 feet from the Forest Pavilion project site. See Exhibits 1 and 2 for location of projects.

The proposed Forest Pavilion project and the proposed fire access road project are located on the same parcel (APN 008-132-11). Although much of this parcel is occupied by the existing hospital, the proposed project sites are located on the undeveloped portion of the parcel, which is comprised of Monterey pine forest. Slopes at the project sites range from approximately five percent to twenty percent. The proposed Forest Pavilion project would surround an existing garden area that serves the hospital. The proposed fire access road project would connect an existing drive adjacent to the Bay Pavilion portion of the hospital with Scenic Drive. The proposed fire road would be developed in Monterey pine forest habitat. See Exhibit 3 for site plans and Exhibit 4 for photographs of the project sites.

CHOMP owns four additional parcels that are adjacent to the parcel proposed for the Forest Pavilion and fire road developments (see Exhibits 5 & 6). Parcel 008-131-16 (5.142 acres) is developed with the Beverly Manor Healthcare Center; parcel 008-131-15 (4.839 acres) is developed with the Carmel Hill Professional Center; parcel 008-131-19 (5.925 acres) contains some parking lot development but largely consists of undeveloped Monterey pine forest. Parcel 008-131-21 (16.73 acres) is undeveloped (except for an existing paved access road that leads to the PG&E substation and for a PG&E transmission line along the eastern property boundary) and consists of Monterey pine forest.

2. Project Descriptions

CHOMP's Planned Community Plan is the hospital's in-house plan that sets the framework for new building projects, remodeling projects, and upgrading components at CHOMP. The proposed Forest Pavilion wing project amends the CHOMP Planned Community Plan to include the following improvements (subsections a. through h. below apply to the Forest Pavilion wing project; subsections h. & i. apply to the proposed fire access road project):



a. Forest Pavilion Wing

The proposed project includes construction of the Forest Pavilion Wing, a new three-story addition to the northeast section of the existing hospital. It would surround an existing garden area that serves the hospital. The proposed structure consists of two three-level wings connected at one corner, with each level matching the same floor elevations of the existing hospital. The new structure would provide 97,738 square feet of clinical and support space and 120 patient beds. However, because one component of the proposed project is a remodel of existing hospital space (see below), the actual net increase in patient beds at the hospital would be only 48. Please see page 1 of Exhibit 3 for site plan.

b. Construction Activities

The proposed Forest Pavilion wing project would result in cut and fill operations during grading activities at the project site. Up to 15-to-20-foot cuts and 10-foot-high fills would be required. Grading volume estimates of cut and fill equal approximately 15,000 cubic yards. All excess cut from the proposed project would be used onsite for construction activities underway at the South Pavilion project (approved under CDP 3-97-026). No offsite export is anticipated. Grading operations would last between four and six weeks. Upon completion of grading activities at the project site, jute netting would be placed on all 2:1 slopes to reduce soil erosion at the project site.

c. Tree Removal

The proposed Forest Pavilion wing project results in the permanent conversion of approximately 0.75 acres of native Monterey pine forest into an urban use. In addition, approximately an additional 0.5-acre of native Monterey pine forest would be disturbed during the construction process (this area would be replanted with native species, including Monterey pine, after construction is complete – see below). The proposed project results in the removal of 228 trees (164 Monterey pines, 42 coast live oaks, and 22 ornamentals) and the potential removal of 37 additional Monterey pine trees and 4 coast live oaks. In addition, 17 oak trees are proposed for relocation and 2 oak trees potentially may need relocation.

d. Landscaping

The proposed Forest Pavilion wing project includes a landscaping plan to replace oak trees and Monterey pine trees proposed for removal, as well as to supplement the existing landscape with a variety of native species. Replacement trees would be planted at a replacement ratio of between 1:1 and 2:2, as determined by CHOMP's forester. The replacement trees would be planted adjacent to the new Forest Pavilion wing and in adjacent remaining forested areas on the CHOMP property. The landscaping plan also includes a variety of native shrub, grass, and perennial species. See Exhibit 7 for landscaping plan.

e. Water Conservation Measures

To decrease the amount of water use, the proposed Forest Pavilion wing project includes implementation of a number of water conservation measures at the hospital, including a sterilizer retrofit savings program, a dietary/dishwasher savings program, and a film processing savings program. The



total amount of water saved by implementing these programs would equal approximately 11.71 acre-feet per year. With these savings, water use would remain within historic and already allocated amounts.

f. Parking

The proposed Forest Pavilion wing project also includes conversion of existing storage units to parking spaces within the existing parking structure to create 63 additional spaces.

g. Remodeling of Existing Patient Rooms

The proposed Forest Pavilion wing project also includes remodeling of existing patient rooms to accommodate additional state-of-the-art equipment and patient amenities. A total of 72 rooms would be lost in this process. With addition of the proposed Forest Pavilion wing, the total number of patient rooms would be 227 rooms, a net increase of 48 new acute care beds.

h. Easements

Previously approved coastal development permits for CHOMP required recordation of a variety of scenic and/or conservation easements (see table on next page for details). A total of 231,241 square feet (5.3 acres) of scenic and/or conservation easements were required pursuant to CDPs 3-86-194 and 3-97-026 (see Exhibit 8, pg. 1). The offer to dedicate the easements required pursuant to 3-86-194 was recorded but the easements have not been accepted. The offer to dedicate the easements required pursuant to 3-97-026 has not been recorded. The proposed Forest Pavilion addition and a portion of the proposed fire access road will be located in areas subject to portions of these conservation/scenic easements. These easement areas, which consist of approximately 2.5 acres, are shown on page 1 of Exhibit 8 as areas B, D, F, & G adjacent to the existing hospital development. These required easements will be transferred across Scenic Drive to the 16.73-acre undeveloped parcel (see Exhibit 8, pg. 2) pursuant to immaterial amendments 3-86-194-A1 and 3-97-026-A4 (see Exhibit 13 for these amendments), which will be reported on immediately after Commission action on the Forest Pavilion and fire access road proposals. Other previously required easement areas, which provide a scenic buffer between the hospital and Scenic Drive (noted as areas A, C, E, H, I, J & K on page 2 of Exhibit 8), will remain. In addition, subsequent to the City's approval, the Applicant has amended the project description to include retirement of *all* development rights, in perpetuity, on the 16.73 acre undeveloped parcel (also owned by CHOMP) located east of the proposed Forest Pavilion site, across Scenic Drive (see Exhibit 8 pg. 3). A conservation easement will be placed over this entire parcel (which consists of undisturbed Monterey pine forest habitat) as part of the project approval (see Special Condition #1). (Use and maintenance of an existing paved access road that leads to a PG&E substation, as well as a PG&E transmission line along the eastern property boundary, would continue to be allowed pursuant to these two senior easements on the parcel.) The City of Monterey has agreed to accept this conservation easement (pers. comm. Bill Wojtkowski, Community Development Director, City of Monterey).



i. Proposed Fire Access Road

The proposed fire access road project consists of development of a 640-foot long, 13 ½-foot-wide fire road along the eastern side of the hospital, between the hospital and Scenic Drive (see Exhibit 3, pp. 2-3 for site plans). Three turnout areas along the fire road will be 20-feet wide to allow for one fire vehicle to pass another if necessary. The fire road will be constructed of a minimum of four inches of decomposed granite over a minimum eight inches of aggregate base. The majority of the fire road's alignment will be constructed at or near existing grade. In general, maximum cut heights of 2 feet and fill heights of 4 feet are anticipated, resulting in approximately 467 cubic yards of cut and 335 cubic yards of fill. Approximately 132 cubic yards of fill will be exported to the site of the South Pavilion development, which is located on the same parcel as the proposed fire road. Three water mains and associated fire hydrants will be installed at intervals along the proposed fire road.

The proposed fire road project includes construction of a new retaining wall to support the fire road where it passes the northwest corner of the existing Bay Pavilion section of the hospital (see Exhibit 3, pg. 2). The new retaining wall will measure approximately 75 feet in length and will have a retained backfill height of approximately six feet. The retaining wall be located near the top of an existing 30-foot-high slope with an inclination of approximately 2:1 (horizontal:vertical).

The proposed fire access road alignment has been designed to result in the least amount of impact to trees. Development of the fire access road would include the removal of 19 trees (eight oaks and eleven Monterey pines) and relocation of one oak tree. It would result in the loss of approximately 0.25 acres of Monterey pine forest habitat. The Applicant is not proposing to plant replacement trees because of the number of new trees that will be planted pursuant to that required for both the South Pavilion (approved in 1997) and Forest Pavilion projects (for both projects, removal of approximately 426 trees, with a replacement ratio of between 1:1 and 2:1 trees).

3. Hospital Permit History

Since the 1980s, a number of CDPs have been issued to CHOMP for development at the hospital or the adjacent Carmel Hill Professional Center (CHPC). The following table details the project purpose, number of trees removed, and easements required for each of these projects:



| PROJECT# | PROJECT DESCRIPTION | #TREES REMOVED | EASEMENT REQ'D |
|--|--|-----------------------|--|
| CDP 3-85-195 | Add 76 parking spaces (CHPC) | 45 | Scenic/conservation |
| CDP 3-86-194 | Construct outpatient surgery building & basement parking garage (CHOMP) | 9 | Conservation |
| CDP 3-94-023 | Add 95 parking spaces (CHPC) | 84 | Scenic/conservation |
| CDP 3-97-026 | Construct new Cancer Center & new Wing (South Pavilion) & underground parking garage (CHOMP); record scenic easement prior to construction of underground parking garage and South Pavilion. | 198 | Scenic |
| CDP 3-97-026-A1 | Relocate approved underground parking from beneath South Pavilion to under existing entry court of hospital (CHOMP) | N/A | N/A |
| CDP 3-97-026-A2 | Construct underground parking garage prior to recordation of scenic easement (record scenic easement prior to commencement of construction of South Pavilion wing) (CHOMP). | N/A | See 3-97-026 |
| CDP 3-97-026-A3 | Construct South Pavilion prior to recordation of scenic easement (record scenic easement prior to occupancy of the South Pavilion wing) (CHOMP). | N/A | See 3-97-026 |
| CDP 3-03-068 (current proposal) | Construct three-story addition to existing hospital; remodel existing patient rooms (CHOMP) | 228 | Relocate some previously required easements; place 16.73 acres of Monterey Pine forest into a conservation easement. |



4. Project Need

a. Forest Pavilion

Community Hospital of the Monterey Peninsula was originally developed in 1962, prior to enactment of the Coastal Act. CHOMP is the only full service hospital located along the coast between the Big Sur area and the City of Watsonville, and serves approximately 150,000 residents of the Central Coast area, including residents of Marina, San City, Seaside, Monterey, Pacific Grove, Carmel, Carmel Valley, and Big Sur. The closest other hospitals are located some distance away in Salinas and Watsonville. Going south on Highway One, the next full service hospital is located in San Luis Obispo. In addition to inpatient medical and surgical specialties, CHOMP offers a wide range of healthcare services, including, but not limited to, an emergency department, comprehensive cancer center, birthing center, and cardiopulmonary services. Thus, CHOMP is an essential community facility that provides a crucial health care service for residents along the Central Coast.

Although a number of additions to the hospital have been made since its original development in 1962, no patient beds have been added to the hospital since 1971. The population along this portion of the Central Coast, however, has increased dramatically since 1971. Between 1990 and 2000 alone the population of Monterey County increased 13%. This increase, coupled with aging of the population served by CHOMP, impacts of improved technology (which result in more treatment), and other factors have resulted in an increasing demand for services at CHOMP, including inpatient services. According to CHOMP staff, general acute care inpatient days have increased an average of 2% per year between 1996 and 2000. Also, average inpatient occupancy rose to 85% in 2003, which is the highest rate in northern California for hospitals with greater than 100 beds. Although a 15% average vacancy rate may seem adequate, CHOMP staff notes that all beds in the hospital are not equivalent, e.g., a bed in the nursery is not suitable (and thus not available) for a surgery patient. In addition, CHOMP staff state that over 1500 residents leave the area annually for cardiac services elsewhere because of the high occupancy rate at CHOMP. According to CHOMP staff, a reasonable occupancy rate for full service hospitals, which provides that the appropriate types of beds are available to specific patients, ranges from 75%-78%. While CHOMP cannot be certain what the hospital occupancy rate would be upon completion of the Forest Pavilion wing, the hospital hopes to attain an average occupancy rate in this range. The increased demand for inpatient beds, due to the factors discussed above, has created the need for the addition of new medical-surgical patient rooms, which would be provided in the proposed Forest Pavilion wing.

b. Fire Road

The City approved the South Pavilion wing and Cancer Center in 1996, with subsequent approval by the Coastal Commission in 1997. Subsequent to the City's and the Coastal Commission's approval of the South Pavilion and Cancer Center, the City's Fire Department chose to enforce a stricter interpretation of the fire code than the State and required development of a fire road along the eastern portion of the hospital building. The fire road is required because development of the South Pavilion and the Cancer Center will lead to reduction of overall hospital "fire flow" below a level acceptable to the Fire



Department. Fire flow is the flow rate of water supply, measured at 20 psi residual pressure, that is available for firefighting. If a fire erupted on several sides of the hospital complex, use of fire hydrants to protect the South Pavilion and the Cancer Center would reduce the amount of fire flow available to the remainder of the hospital (with or without development of the Forest Pavilion). The addition of the fire road and associated water mains and fire hydrants will ensure that there is adequate fire flow and access to protect the entire hospital in the event of a fire.

5. Standard of Review

This area of the City of Monterey falls within the coastal zone. The Skyline Land Use Plan (LUP) was effectively certified in 1992. However, several other components of the Local Coastal Program (LCP) (including one land use segment and the implementation plan) are not yet certified; thus, the City does not have a fully certified LCP. Therefore, the LUP at this stage of the certification process is advisory only and the standard of review for the project is the Coastal Act.

B.Coastal Development Permit Determination

1. Environmentally Sensitive Habitat – Monterey Pine Forest

a. ~~Applicable Coastal Act and LUP Policies and Resource Background~~

Coastal Act Section 30240(a) provides for the protection of environmentally sensitive habitat areas (ESHAs) and states:

***30240(a).** Environmentally sensitive habitat areas shall be protected against any significant disruption of habitat values, and only uses dependent on those resources shall be allowed within those areas.*

The Skyline Land Use Plan contains a number of policies that provide protection for ESHAs, including Monterey pine forest – see Exhibit 9 for these policies.

~~b. Resource Issue Background~~

~~As previously described, the project site is located within the native range of Monterey pine (*Pinus radiata*) forest.~~ Monterey pine forest is a rare and significant environmentally sensitive plant community.¹ Within its native range, only five populations of Monterey pine forest remain in the world,

¹ Sources for some of the information in this section include: *Monterey Pine Forest Conservation Strategy Report*, Jones & Stokes Associates, Inc., prepared for the California Department of Fish and Game, December 1996; *Monterey Pine Forest Ecological Assessment: Historical Distribution, Ecology, and Current Status of Monterey Pine*, Jones & Stokes Associates, Inc., prepared for the California Department of Fish and Game, September 12, 1994; *Pitch Canker in California*, Andrew J. Storer, Thomas R. Gordon, David L. Wood, and Paul L. Dallara (from the Pitch Canker Task Force Web Site April 1999); *Current Status of Pitch Canker Disease in California*, CDF Tree Notes #20, July 1995; *California Forestry Note #110*, CDF, November 1995; *Pitch Canker Action Plan, Appendix D to SLO County North Coast Area Plan public hearing document*, December 1996; *Pine Pitch Canker Task Force Position Paper*, California Forest Pest Council, January 23, 1997; *RFP for “Developing Programs for Handling...Infected Pine Material within*



three of which are in the California coastal zone: the main native stand mantling the Monterey Peninsula; the small stand near Año Nuevo in Santa Cruz County; the Cambria stand in North San Luis Obispo County (parts of which are the least disrupted of the remaining groves); and stands on two remote Mexican islands, Guadalupe and Cedros, off the coast of Baja, California. The Guadalupe Island population's survival is uncertain, with no natural regeneration for decades – the result of overgrazing by introduced goats. The three remaining California stands are also threatened by habitat loss, in this case due to development (housing and resort development, golf course development, urbanization), continued fragmentation of the remaining intact forest (by roads and other development), soil compaction and erosion (road grading, recreational overuse), genetic contamination by planted non-local Monterey pines, and invasive exotic plants (genista or “broom”, pampas grass, acacia, eucalyptus, etc.). Commercial logging was an issue in the past, but today is largely confined to firewood cutters and small salvage operations. Yet the footprint of large historical logging operations remains, as many of the largest and healthiest trees have been removed, leaving the smaller or less fit trees to contribute disproportionately to the subsequent pine generations.

Each of the three stands in California (Año Nuevo, Monterey Peninsula, & Cambria) is geographically isolated and ecologically and genetically unique. The Año Nuevo and Cambria forests together cover about 3,800 acres. The largest area of the California Monterey pine forest stands occurs in Monterey County. It is estimated that the historical extent of Monterey pine forest on the Monterey peninsula was about 18,000 acres. The present extent of pine forest in Monterey County has been reduced by development to an estimated 9,412 acres.² Some of this land is within the coastal zone; some is outside of the coastal zone. Of the remaining Monterey pine forest in Monterey County, approximately 60 percent is on unprotected private land. Approximately 3,000 acres of forest have been protected in Monterey County; this amount of acreage, however, is not thought to be sufficient to ensure population viability or to maintain necessary genetic variability.

The Monterey pine forest stand on the CHOMP property is part of the Skyline Forest, which includes portions of the Del Monte Forest, the Presidio of Monterey, and residential neighborhoods in the City of Monterey. ~~The~~ Generally, Monterey pine forest supports unique plant associations with species assemblages that reflect variation in soil, slope, elevation, moisture, and distance from the ocean. The pine forest moderates local climate conditions and provides habitat for endemic plant and wildlife species. Nineteen special-status plant species and seventeen special-status wildlife species are associated with Monterey pine forest on the Monterey peninsula.

~~Monterey pine is a closed cone species. This characteristic is typical for fire-influenced forest habitats. On a very hot day or in response to fire, the cones open and release their seed. Following a light ground~~

the Coastal Pitch Canker Zone...”, CDF, December 1997; *The Cambria Forest*, Taylor Coffman, Coastal Heritage Press, 1995; *Pebble Beach Lot Program Final Environmental Impact Report*, EIP Associates, June 1997; and *In situ Genetic Conservation of Monterey Pine (Pinus radiata D. Don): Information and Recommendations*. D.L. Rogers. Report No. 26, Genetic Resources Conservation Program, University of California, Davis, September 2002.

² Jones & Stokes Associates, Inc., *Monterey Pine Forest Conservation Strategy Report*, Final, December 1996. (Data from this report were further refined by Commission GIS staff).



fire, a carpet of seedlings can be found beneath the mature trees after the first post fire winter rains. On the Monterey peninsula, reproduction is most vigorous in recently burned areas, and weakest in the areas where fire suppression occurs (i.e., the areas that have been divided and developed with residences). In manicured yards there is virtually no pine reproduction.

The Monterey pine forest types and associated special status species also occur on different marine terrace levels both on granitic substrates and soils derived from Monterey Formation shale. This lends to a highly diverse and variable set of habitat conditions necessary for the survival of differing vegetation series within the native Monterey pine forest. Due to its unique ecology, limited extent, and its ecological value as habitat for a suite of special status plant and wildlife species, the Monterey pine forest ecosystem is ESHA.

As stated above, the Monterey pine forests on the Monterey peninsula are threatened primarily by the direct loss of habitat due to development, soil erosion, fire suppression, and the introduction of invasive exotic plants. In addition, fragmentation, pine pitch canker, genetic contamination, and loss of genetic diversity threaten the forest. New development may result in the physical loss of trees as well as impacts to the overall forest habitat and species therein. Fragmentation of Monterey pine forest by continuing development creates small isolated pockets of pine stands, which is of concern to many resource agencies and individuals. Once a stand is fragmented, the small pockets are more subject to disease and root damage. The need to protect Monterey pine forest from fragmentation has become more apparent in the last decade.

A more recent concern for the health and viability of the native Monterey pine forest comes from the threat of an introduced pathogen, *Fusarium circinatum*, which causes pitch canker. According to the California Department of Forestry (CDF), pine pitch canker is a rapidly spreading fungal disease of pine trees and Douglas fir, which infects trees primarily through insect wounds in the bark; Monterey and Bishop pines are especially susceptible. CDF also believes that the fungal spores are unintentionally carried over long distances by conveyance of contaminated materials. In addition to transport of contaminated materials by humans, typical vectors for the pathogen include bark beetles and other insects. All three of California's native stands of Monterey pines have now become infected and have suffered severe mortality from the introduced fungus that causes pitch canker (according to recent assessments, pitch canker disease does not appear to be on the island stands in Mexico). It has been estimated that up to 85 percent of existing trees may eventually succumb to this disease.³ Although the progression of the disease has proved to be less rapid than initially feared, mortality from pitch canker is nonetheless a serious threat to the continued existence of these populations. Since a proportion of individuals, perhaps on the order of 15 percent, are genetically resistant to pitch canker, it is critical to protect the maximum number of trees possible, because resistant individuals cannot be recognized until the fungus challenges them.

Pitch canker was confirmed on the Monterey Peninsula at the Pebble Beach firehouse in April 1992, and

³ California Native Plant Society. 1999. Petition to the State of California Fish and Game Commission. Supporting information for Monterey Pine, *Pinus radiata*, D. Don.



then at the Año Nuevo stand in December 1992, followed by the Cambrian stand in November 1994. CDF currently characterizes the threat to all native Monterey pine stands in California as “severe.” On June 4, 1997 the State Board of Forestry defined a Pitch Canker Zone of Infestation, which includes all of the coastal counties extending from Mendocino to the Mexican border. While one goal for the Zone is to slow disease spread, neither the State Board of Forestry nor CDF has the authority to impose and enforce a quarantine on the movement of infected material.

No cure for infected trees is currently available. Most estimates describe a mortality rate of up to 85 percent. Many thousands of trees are already dead. It is important to limit the spread of the fungus until an effective means to deal with it is discovered and disease resistant stock can be made available. A small percentage of Monterey pine appears immune to the disease. However, of the causative species fungus (*Fusarium circinatum*), only 7 strains are currently present in California; one of these strains (or vegetative compatibility groups) consists of over 50% of the California population of the pathogen. Individual tree specimens that exhibit resistance to the one overwhelmingly prevalent strain might prove vulnerable to yet other strains that may become more widespread someday. As a result, the development of one or only a few lineages of disease-resistant stock is not likely to be sufficient to ward off the pitch canker threat.

Because the native range for Monterey pine is limited only to five isolated places on the globe, including the Monterey peninsula, the main hope for the survival of the Monterey pine worldwide is that there will be enough natural diversity within the native stands so that at least some trees will have genetic disease resistance or tolerance, that these trees then can be used to propagate new trees for urban repopulation, and that larger tracts of native pine forest can be preserved and managed so that natural regeneration can take place to repopulate native pine forest habitat. As such, the native pine stands in the Monterey area represent a global resource for forest management for this sensitive species. Furthermore, each of the five remaining populations of Monterey pine are distinctive. Effective conservation of the diversity within the species requires that each population—including those stands in the Monterey area—be protected.

There is another very important reason to preserve the genetic diversity contained in the remaining Monterey Pine forests. Although the Monterey pine is of little commercial importance in the United States as a timber species, it is the most widely planted pine tree in the world. Monterey Pine plantations are of great economic importance to lumber and pulp industries in other counties such as New Zealand and Chile. The remaining native forests of Monterey pine constitute the exclusive repository of raw genetic material for developing potential genetic innovations in commercial Monterey pine. Not only is the diversity among the native forests important, but within forests there is significant genetic variation among stands on different geomorphic surfaces (e.g., marine terraces of different ages).

Indeed, until the nature of existing native pine forest immunity is understood, it is critical that the maximum genetic diversity within the native stands of Monterey pine be protected. CDF concludes:

The restricted native ranges of Monterey pine, Torrey pine, and Bishop pine heightens concern for the effect of pitch canker on these populations. Monterey pine is the most widely planted



~~timber species in the world, and California's native populations represent a global resource for breeding programs. Pitch canker has the potential to reduce the genetic diversity of these species and the integrity of their native stands.~~

~~A recent and comprehensive report (D.L. Rogers, 1997) on genetic conservation of Monterey pine provides 18 recommendations towards conservation of the genetic diversity of this species. Two of these recommendations are that further significant losses of genetic diversity within each of the populations of Monterey pine should be avoided, and further fragmentation of remaining Monterey pine forests should be avoided (italics added).~~

Finally, ~~b~~ Because of the various threats to the species, Monterey pine has been listed as a California Native Plant Society List 1B species ("Plants Rare, Threatened, or Endangered in California and elsewhere"); List 1B species are specifically eligible for state listing. Although temporarily withdrawn in December 1999 to allow CDFG to respond to the volume of information submitted, the California Native Plant Society submitted a petition in August 1999 to list Monterey pine as a Threatened Species under the California Endangered Species Act due to its limited distribution, historical and continued losses due to development, and its importance to other threatened species.

In summary, native Monterey Pine forests are rare and play a special role in ecosystems by providing critical habitat for other rare and unusual species ~~(at least 36 rare species are found in Monterey pine forests on the Monterey peninsula)~~. Each of the five remaining populations of Monterey pine is distinctive. The native pine stands in the Monterey peninsula area represent an important natural resource for California. ~~In addition, individual trees are important due to their special nature as the repository of genetic variability that is crucial for the survival of the species in the face of exotic diseases, and critical for the continued well being of the world's commercial pine plantations.~~ Effective conservation of the diversity within the species requires that each population, especially the Monterey peninsula population, be protected. Finally, Monterey Pine forests are demonstrably easily disturbed and degraded by human activities and developments. Therefore, within the native forests, those stands of Monterey pines that have not been substantially developed and urbanized meet the definition of Environmentally Sensitive Habitat Area (ESHA) under the Coastal Act.

~~eb. Implementing Coastal Act Policy 30240 Regarding ESHA~~
Determination

Coastal Act Section 30107.5 defines environmentally sensitive habitat areas as follows:

30107.5. "Environmentally sensitive area" means any area in which plant or animal life or their habitats are either rare or especially valuable because of their special nature or role in an ecosystem and which could be easily disturbed or degraded by human activities and developments.

Coastal Act Section 30240(a) requires that new development within ESHA be limited to those uses that are dependent upon the resource. The proposed development includes an addition to the existing hospital that would permanently convert approximately 0.75 acre (32,840 square feet) of native



Monterey pine forest to an urban use. In addition, approximately ~~an additional~~ 0.5-acre of native Monterey pine forest would be disturbed during the construction ~~process (this process, although this area would be replanted with native species post-construction) and restored after construction.~~ A tree classification survey and a biological assessment prepared for the project state that the proposed project would result in the removal of 228 trees (164 Monterey pines, 42 coast live oaks, and 22 ornamentals) and the potential removal of an additional 37 Monterey pine trees and 4 coast live oaks. In addition, 17 coast live oak trees are proposed for relocation and 2 oak trees have the potential to be relocated.

The ~~draft~~ environmental impact report (~~DEIR~~) references the Skyline Land Use Plan (LUP) and states that although Figure 3 of the Plan shows that the entire project site is completely within the Monterey pine vegetation type, that Figure 4 of the LUP shows that no environmentally sensitive habitat areas (ESHAs) are located on or immediately adjacent to the project site (see Exhibit 9, pp. 8-9). Although maps such as Figure 4, may be used for general guidance, the true determination of what constitutes ESHA is dependent on what species and habitats are found on a particular site.

A variety of geomorphic surfaces support the Monterey pine forest on the Monterey peninsula, including six distinct marine terraces. Each marine terrace supports different combinations of soils and vegetation. Thus, a local Monterey pine forest will develop different characteristics, including genetic diversity, as a result of the differing soil and climactic conditions found on each marine terrace. Preserving stands of Monterey pine forest on all the geomorphic surfaces and soils provides a means for preserving the full range of Monterey pine forest genetic diversity. The project site is located within marine terrace #6, or huckleberry coastal terrace, which generally ranges in elevation from 600 to 800 feet. Approximately 70% of marine terrace #6 on the Monterey peninsula has been developed, with only approximately 82 acres remaining undeveloped.^{4,5} This represents only 30% of the historic occurrence of Monterey pine on marine terrace #6. Thus, the stand of undeveloped Monterey pine forest on the project site is of a relatively rare type in terms of its geomorphic base.

As noted in the DEIR, the project site is located within the native range of Monterey pine, a species that occurs naturally in only five relatively small and separate populations. In addition, Monterey pine is included on the California Native Plant Society's 1B List, which includes native plants considered to be rare, threatened, or endangered. Thus, Monterey pine forest generally meets the criteria for ESHA: it contains special status species and the habitat itself is a special status plant community, and both the individual species and the habitat are easily degraded by human activity, ~~as described above.~~ Nonetheless, a site-specific ESHA determination still must be made for the specific forest resource impacted by the proposed hospital development. ~~Therefore, the project site, which consists of Monterey pine forest that is located on the relatively rare marine terrace #6, is ESHA.~~

A number of factors were reviewed to determine if the proposed Forest Pavilion project site qualifies as Monterey pine forest ESHA, including the size of the impacted forest area, existing development

⁴ *Monterey Pine Forest Conservation Strategy Report*, Jones & Stokes Associates, Inc., prepared for the California Department of Fish and Game, December 1996.

⁵ *The Monterey Ecological Staircase: The Nature of Vegetation and Soils on Different Geomorphic Surfaces of the Monterey Peninsula with an Emphasis on Monterey Pine Forest*, Prepared for California Dept. of Fish & Game, September 1994.



patterns, forest fragmentation and edge effects, the health of the understory, and the presence of other special status species that may be associated with Monterey pine. In this case, the impacted area is relatively small (0.75 acres) and narrow, but more important it occurs within a forest area that is degraded and fragmented by existing development patterns. Specifically, this forested project area has already suffered a fair amount of fragmentation due to immediately adjacent development, and has been substantially urbanized. The existing hospital development itself is quite large (as compared to a single family home, for example), and thus the urbanization impacts on the immediately adjacent habitat are significant. Scenic Drive is located just to the east of the proposed project site. Also, a hospital administrator's residence, including associated fencing and a driveway, is located near the proposed development (see Exhibit 6). Furthermore, major underground utilities, including sanitary sewer, water, electrical power, telecommunications lines, fiber-optic cable ducts, and natural gas lines, along with their appurtenant junction boxes and vaults, are located throughout the proposed project site. These utilities require periodic maintenance, which causes additional disturbance to the forest area. Additional fencing for deer diversion and hospital security is also located on the site, as well as developed pedestrian paths. Also significant, the existing two-lane Scenic Drive road that rings the inner parcel of the hospital development complex fragments this inner core parcel where the development would occur, from the larger contiguous areas of surrounding Monterey pine forest. Taken together, the existing development patterns, and associated fragmentation and edge effects (such as on-going maintenance of hospital facilities) do have an impact on its value as sensitive habitat.

In addition, the forest understory, has been managed over time, and is not pristine. According to CHOMP's forester's tree survey of the proposed project site, the general health of the forest area proposed for development is fair, with some infestations of dwarf mistletoe and sequoia pitch moth, but with more or less normal levels of native beetles affecting pines and some native fungal diseases. Pitch canker has caused visible symptoms in only 11% of the trees surveyed, with most of the infected trees having a low level of symptoms. Although the forester's report stated that the pine reproduction in this area was low (except for a few small isolated areas), Commission staff noted numerous small trees and seedlings in the project area during a site visit in August 2003.

The Monterey pine forest understory on the project site has been periodically "weed-whacked" by hospital groundskeepers in the past. This has stopped, but the relatively open nature of the herbaceous layer probably reflects the historical practice. On the other hand, the understory is made up of a diverse flora of mostly native plants. Except for the Monterey pines (*Pinus radiata*) that define the forest, there are no rare plants present.

The biological reports also indicate that while there are variety of mostly native plants in the understory, no other special status species that are typically associated with Monterey pine were found in this particular area. Except for the Monterey pines (*Pinus radiata*) that define the forest, there are no rare plants present. This forest is not pristine habitat, particularly in comparison to the forest area outside the inner hospital parcel, which is a much higher quality pine forest, with less fragmentation and degradation in the understory. The forest area proposed for development, while in fair health and relatively intact, is adjacent to existing development, including hospital buildings to the west and Seenie Drive to the east. An administrator's residence is also located near the proposed development (see



~~Exhibit 6). However, there is healthy contiguous Monterey pine forest habitat of approximately 3 acres to the north and east of the proposed project site, which connects to undeveloped Monterey pine forest parcels to the east of Seenie Drive (as part of the project description, the Applicant has proposed to transfer the development rights off of a 16.73-acre undeveloped parcel located across Scenic Drive, which will provide protection for intact Monterey pine forest ESHA – see Exhibit 10). According to the Commission’s staff biologist, permanent removal of 0.75 acres of forest for development of the proposed project will further fragment the remaining Monterey pine forest in this area and subject the remaining forest to additional impacts from adjacent urban development.~~

~~The proposed project includes a landscaping plan to replace trees proposed for removal. The City conditioned its approval to incorporate the DEIR’s mitigation measures designed to reduce impacts to the biological resources on the project site. These include replacement of pines and oaks at a minimum 1:1 replacement ratio up to a maximum of 2:1 replacement ratio with locally grown stock, as well as a permanent conservation easement (minimum 2:1 ratio, equal to 1.5 acres) over an unspecified area of native Monterey pine forest within the CHOMP property. Tree replacement planting would take place in other forested areas of the CHOMP property and around the perimeter of the new Forest Pavilion wing (see Exhibit 7 for landscaping plan and Exhibit 6 for an aerial photo of existing tree coverage on the CHOMP property). Certainly, tree replacement has helped preserve some of the forested character of the Monterey peninsula, and can be an effective mitigation measure to apply. Ecologically, however, tree replacement may be of limited value for the following reasons:~~

- ~~➤ The locations and densities of the replacement trees may not be optimum. The ability to replace trees on the same site where development occurs is often constrained by the extent of existing tree cover. Thus, the required replacement trees may be too close to other replacement trees or existing trees to grow to their full potential and provide habitat values equivalent to the trees removed. These constraints result in a loss of genetic diversity that may allow the forest to become less resilient to pathogens, pests and disease, such as pitch canker and other potential diseases that may affect the forest in the future.~~
- ~~➤ The type of habitat is different. Irrespective of the fact that the overall number of trees may be maintained, or even increased, the overall habitat type is changed by the introduction of additional development and human activity. Indeed, the urbanized forest is much different, and arguably less biologically productive, than undeveloped forest areas.~~

~~In this case, tree replacement will take place primarily in the 0.5-acre area that will be disturbed by grading and construction activities. The benefit of planting in this 0.5-acre disturbed area, however, is not appropriate mitigation value for the permanent loss of 0.75 acres of Monterey pine forest habitat area due to building development and additional loss of functional habitat area due to further fragmentation.~~

In the last eight years, several developments have been approved on the CHOMP property, with impacts to the Monterey pine forest. In 1995 the Commission approved a CHOMP parking lot expansion of 95 spaces southeast of the proposed project site. Development of this parking lot resulted in the removal of



84 trees. In 1997 the Commission approved construction of a new hospital wing, the South Pavilion, and an underground parking garage. This project (still under development) will result in the removal of 198 trees, of which 125 are Monterey pines. Findings for these approvals, including conclusions that the impacted forest areas in some instances were not ESHA, noted the degree of existing fragmentation and development on this hospital property. These projects have resulted in further fragmentation of the Skyline Monterey pine forest. In recent years, Commission staff has been alerted to the problems with continued development in the pine forest in terms of fragmentation and the associated detrimental impact to habitat and species. In addition, significant new information has been developed in the last decade that has underscored the importance of providing maximum protection of remaining Monterey pine forest habitat. Although the abovementioned two projects were approved by the Commission, given our recent understanding of the critical importance of retaining intact or relatively intact Monterey pine forest, the current project should be evaluated with the most recent information available, as presented above. This information tells us that continued destruction and fragmenting of Monterey pine forest habitat will result in loss of the forest as an intact ecosystem, and that mitigation involving the replanting of trees is of limited value.

Continued loss of Monterey pine forest through additional non-resource dependent development in forested areas on the Monterey peninsula is contrary to Coastal Act Section 30240(a) regarding protection of environmentally sensitive habitat. Thorough application of Coastal Act Section 30240(a) regarding protection of ESHA is essential to ensure the biological continuance of the forest habitat on the Monterey peninsula. This is especially critical given the threats to the forest posed by the pitch canker epidemic.

Although part of the project proposes to maintain a 16.73-acre parcel as Monterey pine forest habitat, the portion of the proposed project that involves construction of the Forest Pavilion wing is not dependent on siting within the Monterey pine ESHA and would significantly disrupt the continuation of the habitat values within the ESHA, contrary to Coastal Act Section 30240(a). As such, the Commission finds that the Forest Pavilion project, as proposed, is inconsistent with Coastal Act Section 30240(a) regarding providing protection of environmentally sensitive habitat areas from any significant disruption of habitat values.

ESHA Conclusion

Native Monterey pine stands only occur in five relatively small and separate locations. Native Monterey pine forest habitat is endangered in California and is rare outside of California. Monterey pine is included on CNPS's 1B List because of its rare, threatened, or endangered status. For these reasons, the proposed project's location in an area of Monterey pine forest requires that an ESHA determination be made. As discussed above, there are a number of factors that should be evaluated to determine whether the proposed project site is ESHA. As discussed, the health of the Monterey pine forest on the project site is fair, with a relatively low level of pine pitch canker infestation. The presence of seedlings on the project site indicates that Monterey pine regeneration is taking place. Also, there is healthy contiguous pine forest directly adjacent to the project site and also on undisturbed forested parcels located across Scenic Drive. These factors would support the designation of the project site as ESHA. On the other hand, the forest understory of this relatively small 0.75-acre project site does not



contain any other special status plant species, which might be indicative of a healthy Monterey pine forest. Furthermore, the area in and around the proposed project site has been subject to a fair amount of fragmentation and impacts by adjacent existing development such as Scenic Drive, the existing hospital facilities, the hospital administrator's residence, as well as fencing, utility, and other development throughout the project site. After carefully weighing all the above factors, the Commission finds that the site is not ESHA, primarily because of the amount of existing disturbance and fragmentation in and around the project site and the fact that this relatively small area of Monterey pine forest in the immediate vicinity of this largely developed hospital site is arguably less biologically productive than undeveloped forest areas.

Evaluation of Measures to Mitigate Impacts on Urban Forest

The proposed project includes a landscaping plan to replace trees proposed for removal. The City conditioned its approval to incorporate the DEIR's mitigation measures designed to reduce impacts to the biological resources on the project site. These include replacement of pines and oaks at a minimum 1:1 replacement ratio up to a maximum of 2:1 replacement ratio with locally grown stock, as well as a permanent conservation easement (minimum 2:1 ratio, equal to 1.5 acres) over an unspecified area of native Monterey pine forest within the CHOMP property. Tree replacement planting would take place in other forested areas of the CHOMP property and around the perimeter of the new Forest Pavilion wing (see Exhibit 7 for landscaping plan and Exhibit 6 for an aerial photo of existing tree coverage on the CHOMP property). The proposed tree replacement is an effective mitigation measure that will help preserve some of the forested character of this portion of the Monterey peninsula.

c. Project Alternatives

1. Forest Pavilion Wing - Alternatives Evaluated in DEIR

The DEIR evaluated a number of alternatives to the project, including a "No Project" alternative, an "On-Site" alternative, as well as alternatives involving other adjacent hospital properties (see Exhibit 11 for location of alternatives discussed in the DEIR):

"No Project" Alternative: The DEIR concluded that the "No Project" alternative, although environmentally superior to the proposed project in a variety of ways (no removal of Monterey pine trees, no additional traffic impacts, etc.), would not meet the hospital's objectives of providing new and necessary medical-surgical patient rooms and would not allow the hospital to upgrade and renovate existing patient rooms to provide state-of-the-art services and care. As discussed above in Section III(A)(4), CHOMP is the only full service hospital located along this section of the Central Coast. CHOMP has seen inpatient occupancy rates rise 2% per year between 1996 and 2000, and now has the highest occupancy rate in California for hospitals with greater than 100 beds. Although there has been steady population growth in the area since the early 1970's and the hospital has seen the demand for inpatient services rise steadily from year to year, no new patient beds have been added to the hospital since 1971. For these reasons, Commission staff concurs with the DEIR finding that the "No Project" alternative does not meet the essential objective of increasing the number of inpatient beds at CHOMP to provide adequate services to the 150,000 residents of this area of the Central Coast.



“On Site” Alternative: The “On-Site” alternative would relocate the proposed Forest Pavilion wing to the northeastern corner of the existing hospital facility (see Exhibit 11 for site location). This alternative location would have similar biological impacts as the proposed project because it would also result in conversion of approximately 0.75 acres of Monterey pine forest habitat to an urban use. In addition, the “On Site” alternative would have greater visual impacts to three scenic roads/highways in the immediate area. Specifically, the “On-Site” alternative would be located closer to Scenic Drive and would be more difficult to screen from this scenic corridor than the proposed project. This alternative would also be more visible from State Route 68 and Highway One than the proposed project. Given the comparable impacts to Monterey pine forest habitat and the increased visual impacts compared to the proposed project, Commission staff concurs with the DEIR that the “On Site” alternative is not preferable to the location of the proposed Forest Pavilion project.

Other CHOMP Properties: The DEIR also considered other properties owned by CHOMP as potential alternative sites (see Exhibit 11 for location of these properties and Exhibit 6 for an aerial photograph of these properties). Parcel 008-131-21 is undeveloped and consists of undisturbed Monterey pine forest ~~ESHA~~habitat but is proposed to be maintained in open space as part of this project. Parcel 008-131-19 includes some parking lot development but consists largely of undeveloped Monterey pine forest. Development of either of these parcels would cause a greater disturbance to Monterey pine forest ~~ESHA~~habitat than the proposed project for a number of reasons: 1) new road development on either parcel would be required to facilitate access to the hospital building; 2) substantial grading would be required due to the steep slopes found on both parcels, and; 3) installation of all infrastructure improvements (water lines, sewer lines, electricity, etc.) would be required. Given all of the above, it is clear that the amount of Monterey pine forest habitat converted to an urban hospital use on parcel 008-131-21 or parcel 008-131-19 would be much greater than the 0.75 acres of forest conversion anticipated under the proposed project. In addition, both of these parcels are located on a slope facing the Monterey Bay coastal view areas and public viewpoints such as Highway One. Construction of an approximately 97,738 square foot structure on either parcel would potentially result in a greater impact to coastal views than the proposed project. In addition, these alternative parcels would not be operationally feasible because the new patient rooms would not be located adjacent to existing patient rooms and would not be located in the same building as surgical and other acute care patient services.

Further development constraints on the above two parcels would arise because access to either parcel would be from Scenic Drive, which separates these parcels from the main hospital parcel. Scenic Drive is part of the famed 17-Mile Drive, which is privately owned and maintained by the Pebble Beach Company. Access to this two-mile stretch of Scenic Drive is via the Carmel Hill tollgate. Scenic Drive is a narrow, winding, two-lane roadway that serves both local residents and visitors to the Del Monte and Skyline Forests. Residents pay a yearly fee for partial upkeep of the road, while visitors are charged an entrance fee for vehicular traffic. Development of any of these parcels for hospital use would require that CHOMP receive permission from the Pebble Beach Company for through public access on Scenic Drive.

The DEIR also evaluated an alternative on parcel 008-131-15, which contains the parking lot for the Carmel Hill Professional Center (CHPC). In this alternative the existing parking lot would be removed



and replaced with a multi-level structure to house the new hospital addition and parking. Development of this parking lot would require road access development that would create potential impacts to Monterey pine trees. In addition, the number of vehicle trips associated with this alternative at the CHPC entry off of State Route 68 would require major renovation of this entry to accommodate the traffic flow because this intersection is currently experiencing unacceptable levels of service. In addition, as above, this alternative would not be operationally feasible because the new patient rooms would not be located in the main hospital building and thus would not have direct access to other acute care patient services.

2. Forest Pavilion Wing - Other Alternatives Evaluated by CHOMP Staff

Commission staff met with hospital representatives to discuss other possible alternatives not evaluated in the DEIR. One example of such an alternative would relocate the Forest Pavilion to existing developed areas on the main hospital property, such as adjacent to the main entry and extending out over the existing parking lot, with parking being either located underground or with the new wing being developed above the existing parking lot. According to CHOMP staff, prior to development of final proposals for the South Pavilion wing (which was approved by the Commission in 1997 and is now under construction) and the Forest Pavilion wing, five additional alternatives were evaluated before choosing the superior alternative for both new wings of the hospital (see Exhibit 12, pp. 1-3 for these alternatives):

Alternative Option A: In this alternative, the Forest Pavilion would be increased in size to extend out farther from the main hospital building, and would encroach onto the private Administrator's residence. To reduce this encroachment, some of the Forest Pavilion functions would be transferred to the South Pavilion. As a result, the South Pavilion would increase in size and preclude development of the underground parking garage, because it would be prohibitively expensive to construct the underground parking garage to withstand the pressures of a multistory building above it. Relocation of the parking garage (which has since been developed) would create interim (during construction) and potential long-term parking loss. In addition, development of the Forest Pavilion under this option would create similar impacts to Monterey pine forest ~~ESHA~~habitat as the proposed project.

Alternative Option B: In this alternative, the Forest Pavilion would be relocated to the northwestern part of the existing hospital facility and would not impact Monterey pine forest ~~ESHA~~habitat. This building footprint, however, would eliminate access to the mandated fire road from this side of the hospital. In addition, to maintain the necessary square footage of the Forest Pavilion, the Forest Pavilion wing would need to be built over the existing Cancer Center, which was not constructed to withstand the weight of additional stories. Thus the Forest Pavilion would have to be reduced in square footage and the South Pavilion square footage would need to be increased. This would require relocation of parking on the northwestern side of the hospital as well as relocation of the underground parking garage, which would create interim and potential long-term parking loss. In addition, this alternative would encroach into a Skyline LUP view corridor.

Alternative Option C: In this alternative, the South Pavilion would be smaller, with diagnostic services relocated to the Forest Pavilion. The Forest Pavilion would be located in the area similar to the



proposed project and would thus cause impacts to Monterey pine forest ~~ESHA~~habitat. The relocation of diagnostic services to the Forest Pavilion would result in unacceptable travel distances to patient rooms and would disrupt interdepartmental connectivity.

Alternative Option D: In this option, the Forest Pavilion would extend out toward the existing Administrator's residence and into a scenic buffer zone required in the Skyline LUP. In addition, this option would have greater impacts to Monterey pine forest ~~ESHA~~habitat than the proposed project because of the need for considerably more grading. Also, this option would preclude development of the mandated fire road and create extreme travel distances between medical service centers.

Alternative Option E: In this alternative, the South Pavilion and Forest Pavilion would be combined into one large structure that extends out over the existing main parking lot on the hospital property. This alternative would not impact Monterey pine forest ~~ESHA~~habitat. This building footprint, however, would encroach into a Skyline LUP view corridor. Access to the fire road from this side of the hospital would be precluded. Development of this option would create interim (during construction) and possible long-term parking loss. The relocation of the diagnostic functions would result in disruption in interdepartmental connectivity.

None of these five considered alternatives would meet the hospital's operational and functional requirements. In addition, the South Pavilion has previously been approved by the Commission in the configuration shown on page 3 of Exhibit 12, and is now under development. The underground parking garage has been developed and is in use. The proposed Forest Pavilion project, however, would best meet the hospital's long-term needs for inpatient care and would provide for a workable patient flow and functional interdepartmental hospital relationships.

3. Fire Access Road Project Alternatives

CHOMP staff evaluated several alternatives to the proposed fire access road. One alternative consisted of development of a small path, narrower than the proposed fire road, which would be accessed from Scenic Drive. Firefighters would be able to walk in along this path from Scenic Drive or perhaps drive a small pickup truck with equipment in from Scenic Drive to access the eastern side of the hospital; the larger fire trucks would remain situated on Scenic Drive. A new water main and fire hydrants would be located along this path, similar to the proposed project. Construction of this smaller path would result in less tree removal than the proposed project. The Fire Department rejected this proposal because the path would not allow access by larger fire trucks, which the Fire Department claims is essential to providing adequate fire protection for the hospital. Also, portions of the hospital buildings would be located greater than 150 feet away from the fire trucks situated on Scenic Drive; 150 feet is the maximum distance allowed by the Fire Department between fire trucks and city structures that require fire protection.

The second alternative included a wider fire road that would accommodate fire trucks. This fire road would extend partially along the eastern side of the hospital and would include hammerhead turnaround areas. This alternative would require less tree removal than the proposed fire road. The Fire Department rejected this option because the road would not extend along the entire eastern portion of



the hospital structure. The Fire Department was insistent that the fire road provide a connection between the driveway adjacent to the existing Bay Pavilion and the portion of Scenic Drive that is between the proposed Forest Pavilion and the existing Administrator's residence. The proposed fire road is the only option that meets these requirements and allows passage of large fire trucks to within less than 150 feet of the hospital buildings.

~~e. Conflict Resolution~~

~~As discussed above, the proposed development of the Forest Pavilion wing would transform 0.75 acres of Monterey pine forest ESHA to an urban use, inconsistent with Coastal Act Section 30240(a). The Coastal Act, however, authorizes the Commission to approve a proposed project notwithstanding such an inconsistency with a policy of the Act if the following criteria are met: 1) denial of the project would create a conflict with one or more other Coastal Act policies, and; 2) approving the project would be, on balance, most protective of significant coastal resources than not approving it. Specifically, Coastal Act sections 30200(b) and 30007.5 provide that:~~

~~**30200(b).** Where the commission or any local government in implementing the provisions of this division identifies a conflict between the policies of this chapter, Section 30007.5 shall be utilized to resolve the conflict and the resolution of such conflicts shall be supported by appropriate findings setting forth the basis for the resolution of identified policy conflicts.~~

~~**30007.5.** The Legislature further finds and recognizes that conflicts may occur between one or more policies of the division. The Legislature therefore declares that in carrying out the provisions of this division such conflicts be resolved in a manner which on balance is the most protective of significant coastal resources. In this context, the Legislature declares that broader policies which, for example, serve to concentrate development in close proximity to urban and employment centers may be more protective, overall, than specific wildlife habitat and other similar resource~~

~~Accordingly, the Commission must determine whether denial of a permit for the proposed project would result in a conflict with one or more other policies of the Coastal Act. The first step is to analyze the project relevant to the specific example set forth in the last sentence of Section 30007.5, which states "broader policies which...serve to concentrate development in close proximity to urban and employment centers may be more protective, overall, than specific wildlife habitat...policies." The "concentration of development" policy of the Coastal Act that is applicable to the proposed development is Section 30250(a), which provides, in relevant part, that:~~

~~**30250(a).** New residential, commercial, or industrial development, except as otherwise provided in this division, shall be located within, contiguous with, or in close proximity to, existing developed areas able to accommodate it or, where such areas are not able to accommodate it, in other areas with adequate public services and where it will not have significant adverse effects, either individually or cumulatively, on coastal resources.~~

~~Denial of a permit for the proposed development would result in a more dispersed or less concentrated~~



pattern of development for the hospital's facilities than that which will result from implementation of the proposed project. The Commission is particularly concerned over the risk of development that denial of the proposed project will create relative to the adjacent undeveloped 16.73-acre CHOMP parcel located across Scenic Drive (see Exhibits 5 & 6), which consists of undisturbed Monterey pine forest habitat. This 16.73-acre CHOMP parcel is privately owned and thus would be entitled to some development in the future to avoid a taking. The Skyline Land Use Plan, for example, designates the site for either a 40-unit Planned Unit Development or a healthcare facility. CHOMP's 2001 Amended Planned Community Plan calls for long range, future development on this parcel. Options for development include a cardiac support campus, a residential village, a skilled nursing facility, or assisted living residential units. It is unknown what level of development might be approved for this parcel in the future, but it is reasonable to assume that some amount of development and necessary infrastructure would be placed on this site. Denial of the proposed project, which includes the retirement of future development on this site, will require CHOMP to develop an alternative means of providing the proposed patient bed and other additional facilities. Such alternative means will require a much more extensive remodeling of CHOMP's existing facilities including displacement of certain services and facilities to new locations. One of the obvious new locations for any such relocated services and facilities would be the subject 16.73-acre adjacent parcel, which the proposed project would place into a permanent conservation easement. The more dispersed, less concentrated pattern of development that would result from use of the adjacent 16.73-acre parcel for medical services potentially relocated from CHOMP's existing facility is inconsistent with the standards of Section 30250(a). Therefore, the Commission finds that the proposed project presents a "conflict" between Sections 30240(a) and 30250(a) of the Coastal Act. The Commission will thus proceed to resolve this conflict in accordance with the standards set forth in section 30007.5.

For the following reasons, the Commission finds that approval of the project is, on balance, most protective of coastal resources (in this case, Monterey pine forest ESHA): the proposed development concentrates development of the much-needed Forest Pavilion wing onto an already highly developed parcel containing a pre-Coastal Act essential public facility that cannot be feasibly relocated to another site, but which must be enlarged to adequately serve the public that rely on it for their sole source of acute healthcare. As noted above, the 0.75-acre Monterey pine forest area proposed for development, while in fair health and relatively intact, is adjacent to existing development, including hospital buildings to the west and Scenic Drive to the east. The project as proposed, however, will remove all development potential from the adjacent vacant 16.73-acre parcel.

Although development of the Forest Pavilion wing will lead to the permanent urbanization of 0.75 acres of Monterey pine forest ESHA, concentrating the proposed development adjacent to the existing hospital is, in the long run, more protective of ESHA because an entire 16.73-acre parcel of high-quality, undisturbed Monterey pine forest habitat will be protected from development forever. This protection of Monterey pine forest ESHA would be similar to conservation easements the Commission required in 1979 on the adjacent Sheperd's Knoll subdivision property. In that case, the Commission allowed a 55-unit condominium development on 5.630 acres of Monterey pine forest, with 34.4 acres of Monterey pine forest being committed to permanent open space.



~~In conclusion, the proposed project provides for concentration of hospital development in an already highly developed area. Although 0.75 acres of Monterey pine forest ESHA would be permanently transformed to an urban use in a manner inconsistent with Coastal Act Section 30240(a), by providing for the permanent protection of 16.73 acres of prime Monterey pine forest habitat the proposed project avoids a conflict with Coastal Act Section 30250(a) that would be, in the unique circumstances of this project, less protective of coastal resources.~~

~~In addition, the fire access road is required by the Fire Department to provide protection of existing and previously approved development (South Pavilion) that will be concentrated on the main hospital site. The fire road will also provide protection for the proposed Forest Pavilion. Given that hospital development is being concentrated on the main hospital site, it is reasonable to concentrate the required fire protection on the same site. The proposed replanting of at least 426 trees on the main hospital site as mitigation for the South Pavilion and Forest Pavilion projects is also adequate to mitigate for the removal of 19 trees necessary to develop the proposed fire road. Requiring additional mitigation could cause potential overcrowding of trees on the main hospital parcel, which would be detrimental to the remaining Monterey pine forest on that parcel.~~



2. Visual Resources

Coastal Act Section 30251 provides for the protection of scenic and visual qualities of the coast and states, in part:

***30251.** The scenic and visual qualities of coastal areas shall be considered and protected as a resource of public importance. Permitted development shall be sited and designed to protect views to and along the ocean and scenic coastal areas, to minimize alteration of natural land forms, to be visually compatible with the character of surrounding areas, and where, feasible, to restore and enhance visual quality in visually degraded areas. New development in highly scenic areas such as those designated... by local government shall be subordinate to the character of its setting.*

The Skyline Land Use Plan provides a number of policies to protect scenic views in the area of the proposed development. See Exhibit 9 for these policies. The LUP contains specific policies for development along State Route 68, including requirements for demonstration of non-visibility, use of screening vegetation, setbacks based on botanic studies, and dedication of open space easements.

The CHOMP complex is located in the Skyline Forest, which is a visual resource of regional importance because the forest and the ridgeline form the backdrop for the entire Monterey Peninsula. This forest covers the ridgeline that runs through the center of the Monterey Peninsula, separating downtown Monterey from the Del Monte Forest. CHOMP is located near the ridgeline and is surrounded by three scenic roads: Highway One, State Route 68, and Scenic Drive. The CHOMP complex can only be seen from Highway One from several miles away and it is difficult to pick out of the landscape. It is not visible from stretches of Highway One near the hospital due to elevation changes, trees, and the fact that it is separated from the highway by a professional office park. Scenic Drive is a private, scenic roadway that is part of the famed 17-Mile Drive. State Route 68 is proposed for designation as a State Scenic Highway in the Skyline Land Use Plan. Two locations along State Route 68 have spectacular views of the Monterey Bay, one of which has a vehicle turnout area.

The proposed Forest Pavilion project will not be visible from State Route 68 or Highway One. The Skyline LUP requires that land within 40 feet of Scenic Drive be designated as open space. The minimum distance between the proposed Forest Pavilion wing and Scenic Drive will be 90 feet. Thus the proposed Forest Pavilion project will maintain the required dedicated scenic corridor along Scenic Drive, consistent with applicable LUP standards.

To protect scenic views and Monterey pine forest habitat, the Commission has conditioned previous CHOMP project approvals to include scenic and conservation easements (see the table on pg. 12 for details of these projects). As discussed above in Section III(A)(2)(h) of this staff report, portions of these required (but not accepted) easements will be transferred (pursuant to two immaterial amendments – see Exhibit 13) across Scenic Drive to the 16.73-acre undeveloped parcel owned by CHOMP. Special Condition #1 requires a conservation easement to be placed over these areas, as well as the remainder of the 16.73-acre parcel. No development, other than restoration and maintenance of the forest habitat and



development of an unpaved, pedestrian footpath will be allowed on this 16.73-acre parcel. These easement areas proposed for transfer, which consist of approximately 2.5 acres, are shown on Exhibit 8, pg. 1 as areas B, D, F, & G. Other previously required easement areas, which provide a scenic buffer between the hospital and Scenic Drive (noted as areas A, C, E, H, I, J, & K on Exhibit 8, pg. 1), will remain. The fire access road, however, will encroach slightly (approximately 500-550 square feet) into the scenic easement shown as "I" on Exhibit 8, pg. 1. This easement was required pursuant to CDP 3-86-194, which provided for development of an outpatient surgery building. The offer to dedicate this easement has been recorded but not yet accepted. The recorded offer to dedicate, however, allows for "The installation, maintenance and repair of access corridors." This is consistent with Special Condition #2 of CDP 3-86-194 that allowed for "necessary utility and emergency access corridors" within the required easement area.

It is highly unusual for the Commission to approve relocation of previously required easements. This is because such easements were required to mitigate for impacts of the previously approved development; relocation of such easements to facilitate new development would potentially negate or diminish appropriate mitigation measures that were previously deemed necessary. The current project proposal and Applicant, however, however, present a unique set of circumstances that makes relocation of previously approved easements acceptable. In this case, the Applicant is an essential community facility (a hospital) that provides crucial healthcare for residents along the Central Coast. Population growth along this portion of the Central Coast, coupled with aging of the population that CHOMP serves, and other factors, have led to CHOMP having the highest occupancy rate in northern California for hospitals with greater than 100 beds. No patient beds have been added to the hospital since 1971. As discussed above, a number of alternatives to the proposed Forest Pavilion project were evaluated, some of which would not infringe upon the previously required easements. These alternatives, however, would disrupt interdepartmental connectivity at the hospital and in some cases would create similar impacts to Monterey pine forest ~~ESHA~~ as the proposed project. Also, the relocation of portions of the easements to the 16.73-acre parcel, coupled with retirement of all remaining development rights on this parcel, will provide for protection of a relatively large area of prime Monterey pine forest habitat.

The fire access road will also encroach upon easement "C" as shown on Exhibit 8, pg 1. This easement was required pursuant to the Monterey City Council's approval of the South Pavilion project in 1997; this easement requirement was incorporated into the Commission's approval of CDP 3-97-026. Pursuant to CDP 3-97-026-A3, the recordation of the scenic easement is required prior to occupancy of the South Pavilion, which is now under construction. According to the City, the fire road will be an allowable use within this easement area (pers. comm. Bill Wojtkowski, Community Development Director).

In conclusion, the proposed Forest Pavilion project will not be visible from State Route 68 or Highway One and will be located greater than 40 feet from Scenic Drive, consistent with the Skyline Land Use Plan. Although the proposed Forest Pavilion project will encroach upon some previously required scenic easements, these have been transferred to an undeveloped parcel also owned by CHOMP. Finally, although the fire access road will encroach upon two required scenic easement areas, emergency access is/will be an allowable use within these easement areas. Thus, the proposed projects are



consistent with Coastal Act Section 30251 regarding protection of scenic views.

3. Water Supply

Section 30250 of the Coastal Act states, in part:

30250 (in part). *New residential, commercial, or industrial development, except as otherwise provided in this division, shall be located within, contiguous with, or in close proximity to, existing developed areas able to accommodate it or, where such areas are not able to accommodate it, in other areas with adequate public services and where it will not have significant adverse effects, either individually or cumulatively, on coastal resources...*

Coastal Act Section 30254 states, in part:

30254 (in part)... *Where existing or planned public works facilities can accommodate only a limited amount of new development, services to coastal dependent land use, essential public services and basic industries vital to the economic health of the region, state, or nation, public recreation, commercial recreation, and visitor-serving land uses shall not be precluded by other development.*

Skyline Land Use Plan Water Supply Policies state:

2.3.3.1. *Support the allocation procedures of the Monterey Peninsula Water Management District and enforce these procedures in the City of Monterey.*

2.3.3.2. *Promote water conservation by requiring the installation of water saving devices (e.g., flow restrictors, low-flush toilet tanks, low-water-use dishwashers, etc.) in all new development.*

2.3.3.3. *Promote water conservation by requiring non-vegetative or native plant landscaping in all new development, so as to minimize water usage.*

A. Forest Pavilion Wing

The Monterey Peninsula Water Management District (MPWMD) regulates and manages water supplies for the area within its boundaries, which includes the City of Monterey. The California-American Water Company (Cal-Am) is the largest water purveyor within the MPWMD boundaries. Cal-Am provides water to its users through groundwater extractions and diversions from the Carmel River via the Los Padres Dam. Both of these sources are currently being used at near or above their sustainable yield.

In 1995, State Water Resources Control Board Order 95-10 reduced the amount of water Cal-Am could take from the Carmel River aquifer by 20 percent in the near-term and up to 75 percent in the long-term. Since that time, the jurisdictions along the Monterey Peninsula, including the City of Monterey, have been under strict conservation measures, and have focused their efforts on improving water conservation programs while working on other water supply augmentation proposals that will garner community



support and help Cal-Am attain the goals established by the Order. State Order 95-10 also mandates that Cal-Am maintain production below 11,285-acre feet/year of diversion from the Carmel River. A maximum of 4,000 acre-feet/year from the Seaside basin is allowed by MPWMD. Thus, Cal-Am production is limited to 15,285 acre-feet/year. All of this water is already allocated to current users or proposed construction that has already been approved, and no additional water source is presently available to serve Cal-Am customers within the district.

The total water use at CHOMP is comprised of the historical average water use plus the community benefit allocation dedicated by MPWMD Ordinance No. 87 and a water credit from a former California Department of Forestry (CDF) site (this site was abandoned by CDF and the parcel was merged with the CHOMP parcel in 1997). Water savings due to mandated conservation measures reduce the total amount of water allocated to the hospital, resulting in a total water allocation of 110.73 acre-feet per year. Despite the addition of over 32,000 square feet of new hospital space since 1995, CHOMP's water usage has decreased by nearly one-third during that time period. In 1996, CHOMP used over 104 acre-feet of water; in 1999, the hospital used less than 81 acre-feet of water. This decrease in water use occurred during a period when acute care patient days and hospital occupancy increased. This has been accomplished by implementing a series of conservation measures, including a retrofit program to install low-flow toilets and showerheads, as well as installation of native landscaping around the hospital, which requires little or no water once established. Since implementing this series of water conservation measures, CHOMP currently uses 0.478 acre-feet of water per year per bed.

The proposed project includes the net addition of 48 patient beds, for a total of 227 beds at the hospital. According to the DEIR, using the existing water rate of 0.478 acre-feet of water per year per bed, the total water demand for the hospital with the proposed project would equal approximately 108.50 acre-feet per year, which is less than the current allotment of 110.73 acre-feet per year. In addition to mandatory conservation measures required by MPWMD, the proposed project includes additional conservation measures, including: 1) sterilizer retrofit savings, which would result in a savings of 5.88 acre-feet/year; 2) use of disposable materials in the cafeteria, which will save 1.73 acre-feet/year, and; 3) conversion to film-less technology by the year 2007, which will save approximately 4.1 acre-feet/year. Per the DEIR, the total savings from implementation of these proposed water conservation measures would be 11.72 acre-feet/year, further reducing the new water demand figure of 108.50 acre-feet/year to 96.78 acre-feet/year. Furthermore, the landscaping plan for the new Forest Pavilion wing consists of drought-tolerant native plants (see Exhibit 7), which will require little, if any, water once established.

CHOMP is a unique water user in the Monterey community. According to MPWMD, there is substantial uncertainty regarding the future water use at CHOMP following completion of the South Pavilion project (approved by the Commission in 1997 and now under construction) and the proposed Forest Pavilion wing. MPWMD has worked with CHOMP to determine the best method to estimate CHOMP's future water needs so that a water permit could be issued prior to commencement of construction of both the South Pavilion and Forest Pavilion projects. In May 2003, MPWMD's Water Demand Committee met to discuss a number of alternatives to estimate water demand for the Pavilion projects. As MPWMD does not have a water use factor for hospital uses, no single alternative considered by MPWMD offered a definitive mechanism to estimate CHOMP's future water demand.



Because there is substantial uncertainty regarding the future water use at CHOMP following completion of both Pavilion projects, MPWMD recommended that a Special Circumstances (District Rule 24-G) apply to this project. The following method was used by MPWMD to permit the Pavilion projects: CHOMP will be allowed to access the community benefit reserve allocation created by Ordinance No. 87; this amount equals 18.28 acre feet. This added to 101 acre-feet (the single highest water consumption by CHOMP in the last ten years [1995]) equals a total water allocation of 119.28 acre-feet/year. On August 25, 2003 MPWMD issued a water permit to CHOMP, which allows for a maximum use of 119.28 acre-feet of water per year by the hospital.

Coastal Act Section 30250 directs development to be located in or near an area with sufficient resources to accommodate it. Coastal Act Section 30254 gives precedence to essential public services (such as hospitals) in areas where existing public works facilities, such as water distribution, can accommodate only a limited amount of new development. Although the water supply situation on the Monterey Peninsula is limited, the new water allocation to the hospital is adequate to supply the existing hospital development as well as the previously approved South Pavilion and the proposed Forest Pavilion projects, given the retrofit savings and native landscaping the hospital has already implemented, as well as future planned programs to implement further water savings. In addition, the hospital has complied with the Skyline Land Use Plan water supply policies regarding complying with the allocation procedures of MPWMD, and implementing a water conservation program, which includes a retrofit program. Also, the hospital has received a water permit from MPWMD for the proposed Forest Pavilion project. The Applicant's Forest Pavilion wing proposal includes native drought-tolerant landscaping around the new development. This type of landscaping requires little, if any, water once established.

B. Fire Access Road

Development of the fire road will include the installation of three water mains and associated fire hydrants at intervals along the proposed fire road. These hydrants would only be used during a fire emergency at the hospital. Therefore, any additional water use due to development of the fire road and associated hydrants will be minimal when compared to the regular water usage for day-to-day hospital functions. Given that CHOMP has been reducing its water use over the past decade and has plans for further reductions in water use, CHOMP's current water allocation will be sufficient to supply water to the new water mains and fire hydrants required along the proposed fire access road.

C. Water Supply Conclusion

In conclusion, the hospital's water allocation is adequate to support the proposed Forest Pavilion wing and the proposed fire road, given the historic reduction in water use over the years by CHOMP due to the use of native, drought-resistant landscaping and retrofit savings. In addition, CHOMP has additional plans to implement further water saving measures in the future. Thus, the Commission finds that there are sufficient water resources to support the proposed developments and that the proposed projects are consistent with Coastal Act Sections 30250 and 30254.



4. Traffic & Parking

Section 30252 of the Coastal Act states:

30252. *The location and amount of new development should maintain and enhance public access to the coast by (1) facilitating the provision or extension of transit service, (2) providing commercial facilities within or adjoining residential development or in other areas that will minimize the use of coastal access roads, (3) providing nonautomobile circulation within the development, (4) providing adequate parking facilities or providing substitute means of serving the development with public transportation, (5) assuring the potential for public transit for high intensity uses such as high-rise office buildings, and by (6) assuring that the recreational needs of new residents will not overload nearby coastal recreation areas by correlating the amount of development with local park acquisition and development plans with the provision of onsite recreational facilities to serve the new development.*

Skyline Land Use Plan Circulation policies state:

4.3.3.2. *The developer shall pay for necessary improvements to Holman Highway 68 (i.e., stacking and turning lanes, signing, etc.), as required to accommodate the increased traffic generated by the development. A program for financing and constructing the required improvements to Holman Highway 68 shall be approved by the City as part of the Tentative Map approval process. The program shall include: a) the City Public Works Department recommendations for improvements to the highway; b) the City Public Works Department recommendation of an appropriate financing mechanism for the improvements; c) the developer's agreement to pay his proportionate share of the financing fee for the improvements at the state of approval for recording the Final Map for any part of the Skyline planning area.*

4.3.3.6. *(in part) In new development, parking shall be supplied in accordance with the City of Monterey Zoning Ordinance...*

4.3.3.8. *As it serves the primary access corridor to Asilomar State Beach and Conference Center, as well as an alternative accessway to Cannery Row...a smooth flow of traffic shall be encouraged along Holman Highway 68. Therefore, in order to promote public access to the shoreline and reserve limited highway capacity for coastal priority uses, new development, including road connections to Highway 68, shall be permitted in compliance with Policy 4.3.3.2.*



a. Traffic

Note: The following discussion is regarding potential impacts to local traffic and parking conditions due to development of the proposed Forest Pavilion wing; development of the proposed fire road, which would be used by the Fire Department only in the event of an emergency (and will not be used at all by the general public), will have no impact on traffic or parking in the surrounding area.

Highway 1 and State Route 68 provide regional access to the hospital (see Exhibit 2). Highway 1 is a primary north/south state route that traverses the Monterey Peninsula and is located approximately three-quarters of a mile south of the proposed project site. State Route 68, which is also known as Holman Highway, is a two-lane highway in the vicinity of the hospital.

State Route 68 provides direct access to the hospital via a signalized intersection. An unsignalized intersection provides access to the adjacent Carmel Hill Professional Center. As a condition of approval of the 1997 use permit for the South Pavilion project, the City required CHOMP to “pay a fair share of the improvements to State Route 68 in conjunction with other agencies and/or property owners.” If fair share contributions were not forthcoming prior to occupancy of the South Pavilion, CHOMP would be required to make improvements to State Route 68 at the hospital entrance independently of other agencies and/or other property owners. These improvements would also be required prior to occupancy of the South Pavilion, which is estimated to be ready for occupancy in 2005 or 2006. In this case, the required improvements include a new eastbound through-lane commencing from approximately 300 feet in advance of the CHOMP/State Route 68 intersection and a new westbound through-lane commencing from approximately 400 feet in advance of the CHOMP/State Route 68 intersection. In addition, modifications to the traffic signal at the State Route 68/CHOMP driveway intersection were also a condition of approval of the 1997 Use Permit. These Use Permit conditions were incorporated into the conditions of approval for CDP 3-97-026.

The City of Monterey has established a Level of Service (LOS) D as the minimum acceptable standard for traffic conditions at intersections and along roadway segments. Level of Service A represents free flow traffic conditions; LOS F represents jammed traffic conditions.

Traffic studies reported in the Forest Pavilion wing EIR conclude that, with development of the project, the State Route 68/CHOMP intersection would operate at adequate levels of service during the AM and PM peak hours (LOS B-C). These levels of service, however, were based on existing intersection conditions and do not account for the four-lane improvement to State Route 68 and improvements to the CHOMP driveway that were required by the City as a condition of approval for the South Pavilion project and which will be implemented prior to occupancy of the South Pavilion. Therefore, the City conditioned its approval of the Forest Pavilion wing to require that the Applicant provide additional improvements to the State Route 68/CHOMP intersection, including a second left turn lane from the CHOMP driveway to State Route 68.

The EIR also found that the proposed project would degrade the level of service at the intersection of State Route 68 and the Carmel Hill Professional Center (CHPC) to an unacceptable level. The City



conditioned its approval to require the Applicant to modify the State Route 68/CHPC intersection to eliminate the southbound left turn lane from the CHPC approach to the State Route 68 intersection (right turns only would be allowed).

The EIR also found that the proposed Forest Pavilion project would increase the delay for critical movements at the State Route 68/Southbound Highway One ramps, which currently operate at LOS E/F. The City of Monterey proposes to widen and upgrade State Route 68 from two lanes to three/four lanes from approximately 0.1 miles west of the CHOMP entrance to the Highway One/State Route 68 junction. When implemented, these road improvements would relieve existing and future traffic congestion. The City conditioned its approval of the Forest Pavilion project to require the Applicant to contribute its monetary fair share to the planned State Route 68 widening project and to dedicate the right-of-way along the entire hospital frontage of State Route 68 to accomplish this widening.

In conclusion, the conditions of approval imposed on the project by the City are adequate to mitigate the transportation impacts created by the proposed project and provide consistency with Skyline LUP Policies 4.3.3.2 and 4.3.3.8. For these reasons, the project is consistent with Coastal Act Section 30252 regarding maintaining transportation access to the coast.

b. Parking

The 1997 approval for the South Pavilion included development of a 316-space underground parking garage. This garage has been developed and is located under the existing entry court the hospital. Thus, the total number of parking spaces on the hospital property is now 1,042. Development of the proposed Forest Pavilion wing would increase parking demand by 144 spaces, which would result in a net deficit of 61 parking spaces at CHOMP. The proposed project includes conversion of existing storage space within the new underground parking garage to create an additional 63 parking spaces. With this conversion, the parking demand of the proposed Forest Pavilion project will be met. Thus the proposed project is consistent with Coastal Act Section 30252 regarding provision of adequate parking.

5. Drainage and Water Quality

Section 30230 of the Coastal Act states:

***30230.** Marine resources shall be maintained, enhanced, and where feasible, restored. Special protection shall be given to areas and species of special biological or economic significance. Uses of the marine environment shall be carried out in a manner that will sustain the biological productivity of coastal waters and that will maintain healthy populations of all species of marine organisms adequate for long-term commercial, recreational, scientific, and educational purposes*



Section 30231 of the Coastal Act states:

30231. *The biological productivity and the quality of coastal waters, streams, wetlands, estuaries, and lakes appropriate to maintain optimum populations of marine organisms and for the protection of human health shall be maintained and, where feasible, restored through, among other means, minimizing adverse effects of waste water discharges and entrainment, controlling runoff, preventing depletion of ground water supplies and substantial interference with surface water flow, encouraging waste water reclamation, maintaining natural vegetation buffer areas that protect riparian habitats, and minimizing alteration of natural streams.*

Coastal Act Section 30230 protects the biological productivity of coastal waters. Coastal Act Section 30231 calls for protection of coastal waters by minimizing adverse effects of wastewater discharges and entrainment and by controlling runoff.

In 2000 the State adopted new policies for protecting water quality. Specifically, post-construction BMPs (best management practices) should be designed to treat, infiltrate, and filter storm water runoff from each storm event, prior to discharge. Selected BMPs designed to achieve this requirement should be effective at removing or mitigating pollutants such as oil, grease, hydrocarbons, heavy metals, and particulates.

The hospital site is perched astride the watershed divide along the crest of the Monterey Peninsula. Nonetheless, runoff from the site, no matter what direction it flows, can be expected to reach the waters of the Monterey Bay National Marine Sanctuary. Maintaining the quality of inflows to the Bay has been a priority for a number of agencies, including the Coastal Commission and the City of Monterey, which were partners in the development of the Model Urban Runoff Program (MURP). The proposed Forest Pavilion project will lead to an increase in impervious surfaces at the site of approximately 32,840 square feet (0.75 acre). Given this large increase in impervious surface, the construction of a new wing to the main hospital should include state-of-the-art drainage improvements to protect nearby ocean waters. Development of the fire road, which will consist of pervious decomposed granite and thus will not increase the amount of impervious surfaces on the site, could result in negative impacts to water quality during construction. Special Condition #2 requires that specific best management practices be used during construction to further protect water quality. In addition, Special Condition #3 requires submission of a drainage plan that identifies the specific type, design, and location of all drainage infrastructure necessary to ensure that post construction drainage from the project does not result in erosion, sedimentation, or the degradation of coastal water quality. As conditioned, the proposed projects are consistent with Coastal Act Sections 30230 and 30231 regarding protection of water quality.

6. Hazards

Section 30253 of the Coastal Act states:

30253. *New development shall: (1) Minimize risks to life and property in areas of high geologic, flood, and fire hazard. (2) Assure stability and structural integrity, and neither create nor contribute significantly to erosion, geologic instability, or destruction of the site or surrounding*



area or in any way require the construction of protective devices that would substantially alter natural landforms along bluffs and cliffs.

The project sites are not located on a bluff, cliff, or in an area subject to inundation by sea or river water. According to the geotechnical investigation prepared for the Forest Pavilion wing, the project site is suitable for development from a geotechnical engineering standpoint. Although the Monterey Bay area is one of the most active seismic regions in the United States, the effects of ground shaking at the project site are anticipated to be reduced with implementation of earthquake-resistant design required by the latest edition of the Uniform Building Code and inclusion of the recommendations in the geotechnical investigation prepared for the proposed Forest Pavilion project. The geotechnical investigation also concluded that the potential for landsliding or liquefaction of soil was very low at the project site.

Development of the fire road will address the concerns of the Fire Department regarding providing fire protection for the entire hospital, including the South Pavilion development (which is now under construction) and the proposed Forest Pavilion wing. Given all the above, the proposed projects are consistent with Section 30253 of the Coastal Act regarding minimization of hazards.

7. California Environmental Quality Act (CEQA)

Section 13096 of the California Code of Regulations requires that a specific finding be made in conjunction with coastal development permit applications showing the application to be consistent with any applicable requirements of CEQA. Section 21080.5(d)(2)(A) of CEQA prohibits a proposed development from being approved if there are feasible alternatives or feasible mitigation measures available which would substantially lessen any significant adverse effect which the activity may have on the environment.

The Coastal Commission's review and analysis of land use proposals has been certified by the Secretary of Resources as being the functional equivalent of environmental review under CEQA. This staff report has discussed the relevant coastal resource issues with the proposals, and has recommended appropriate mitigations to address adverse impacts to said resources. Accordingly, the projects are approved subject to conditions that implement the mitigating actions required of the Applicant by the Commission (see Special Conditions). As such, the Commission finds that only as modified and conditioned by this permit will the proposed projects not have any significant adverse effects on the environment within the meaning of CEQA.

